



Manufacturing in Virginia

SIC 24 Lumber and Wood Products



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Overall Assessment

- Second largest number of manufacturing establishments in Virginia.
- Average establishment employs 22 people, two-thirds less than the manufacturing average.
- Virginia exports have increased 24 percent from 1995 to 2000.

Employment

	Virginia		U.S.	
	Employment	Rank	Employment	Rank
1949	27,500	3	768,000	7
1969	23,600	7	677,700	12
2000	27,800	5	821,000	10

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment Trends

Absolute Employment Growth

	Virginia		U.S.	
	Absolute Employment Change	Rank	Absolute Employment Change	Rank
1949-2000	+300	9	+53,000	7
1949-1969	-3,900	13	-90,300	12
1969-2000	+4,200	7	+143,300	3

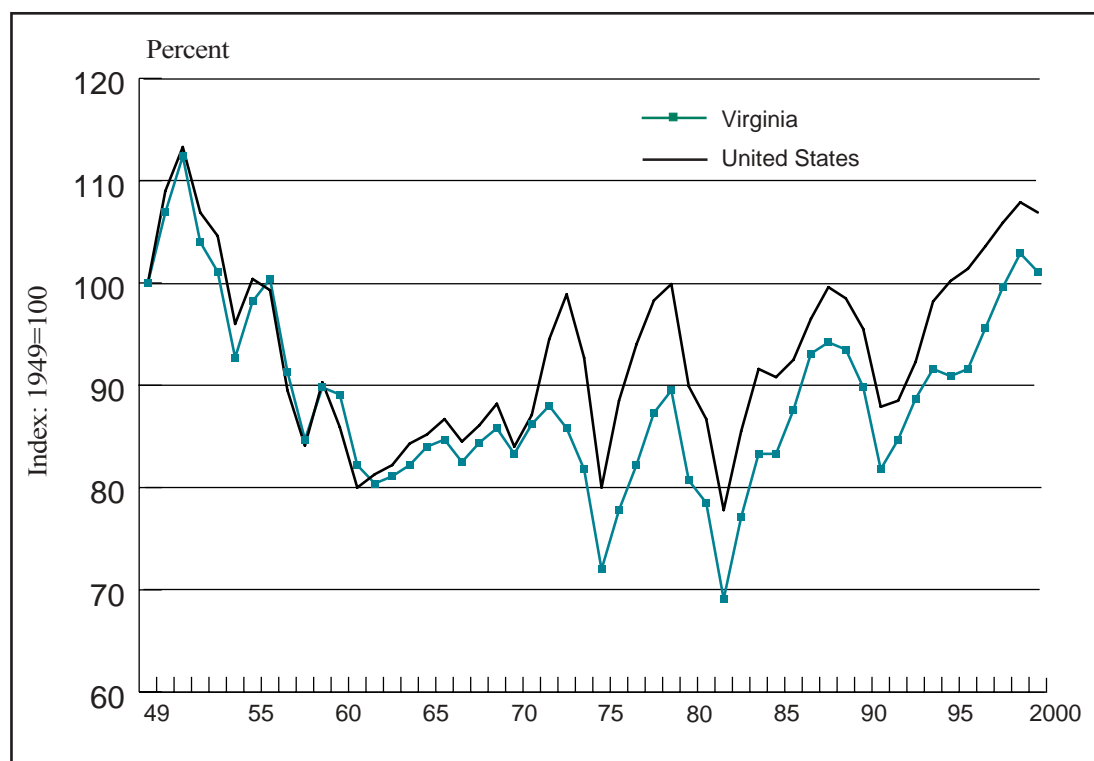
Source: U.S. Department of Labor, Bureau of Labor Statistics.

Relative Employment Growth

Virginia Annual Average Growth Rates						
	Growth Rate 1949-2000		Growth Rate 1949-69		Growth Rate 1969-2000	
		Rank		Rank		Rank
Lumber and Wood Products						
Virginia	0.0%	9	-0.8%	13	-2.6%	15
U.S.	0.1%	8	-0.6%	12	0.6%	3
Nonagricultural Employment	3.0%		3.1%		2.9%	
Manufacturing	1.1%		2.6%		0.2%	
Durable Goods	2.0%		3.7%		1.0%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment Change 1949-2000



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Establishments

Number of Establishments

	Virginia		U.S.	
	Establishments	Rank	Establishments	Rank
Lumber and Wood Products	1,329	2	39,741	3
Manufacturing	6,908	--	413,506	--
Lumber and Wood Products as a % of Mfg.	19.2%		9.6%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Employment per Establishment

	Virginia		U.S.	
	Employment	Rank	Employment	Rank
Lumber and Wood Products	22	20	21	19
Manufacturing	57	--	45	--

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Payroll

Payroll per Employee

	Virginia		U.S.	
	Payroll per Employee	Rank	Payroll per Employee	Rank
Lumber and Wood Products	\$26,611	16	\$28,487	17
Manufacturing	\$35,767	--	\$41,941	--
Lumber and Wood Products as a % of Mfg.	74.4%		67.9%	

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Exports

Virginia Exports		
	Lumber and Wood Products	Manufacturing
2000	\$137,575,000	\$9,395,636,000
1995	\$110,747,000	\$9,294,115,000
Export Growth, 1995-2000	24.2%	1.1%
Share of Manufactured Goods Exports, 2000	1.5%	--

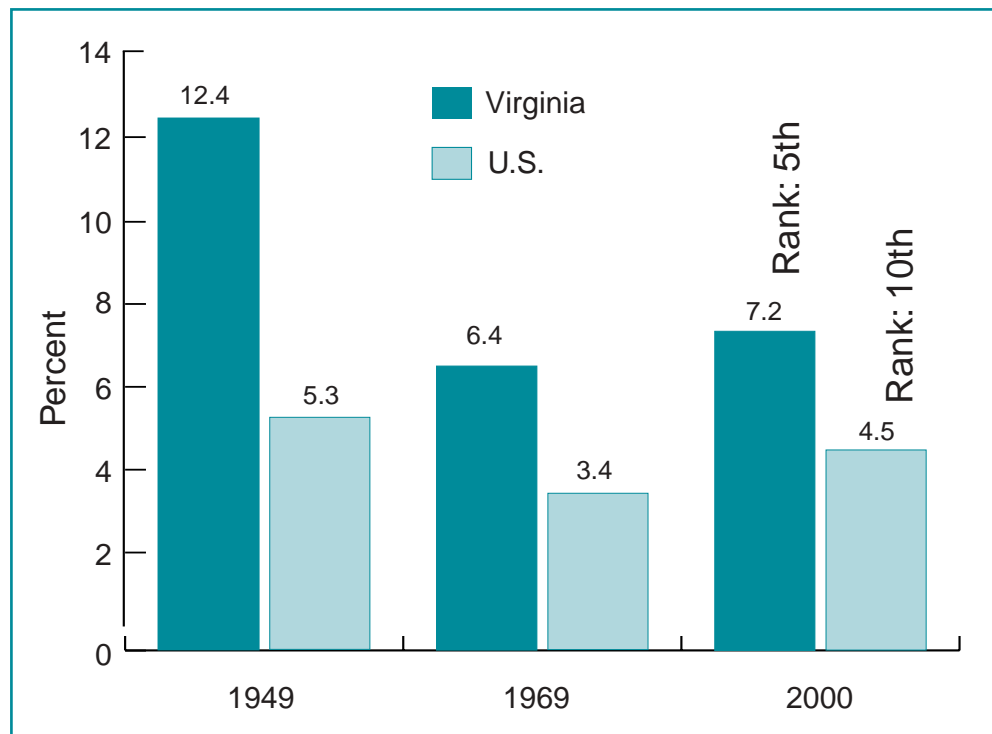
Source: U.S. Department of Commerce.

Industry Importance

Virginia's Share of National Lumber and Wood Products Industry



Source: U.S. Department of Labor, Bureau of Labor Statistics.

Industry's Share of Manufacturing Employment

Source: U.S. Department of Labor, Bureau of Labor Statistics.

Industry Trends

Virginia employment distribution: millwork, plywood, and structural members (40 percent); sawmills and planing mills (28 percent); wood buildings and mobile homes (9 percent); logging (8 percent); miscellaneous wood products (7 percent); and wood containers (7 percent).

- Growth in residential and light commercial construction and the health of the repair and remodeling industry are the main factors in the growth of the Virginia and U.S. wood products industry over the last decade.
- U.S. markets have been flooded with below-market priced Canadian lumber, causing lumber mills nationally to close at the rate of about one every other day.
- Prior to 1997, Japan accounted for nearly half of U.S. wood exports, now it accounts for less than 25 percent. Demand for new homes prevented a downturn in production. Excess capacity has resulted in rising inventories and the lowest lumber prices in seven years.
- The U.S. remains the leader in the wood products world market due to its highly skilled labor, access to raw materials, high levels of capital investment, and efficient transportation systems.
- Overall, imports account for 11 percent of apparent domestic consumption of lumber and wood products. However, for hardwood veneer and plywood (SIC 2435) and reconstituted wood products (SIC 2493), imports account for 37 and 33 percent, respectively, of apparent domestic consumption.